

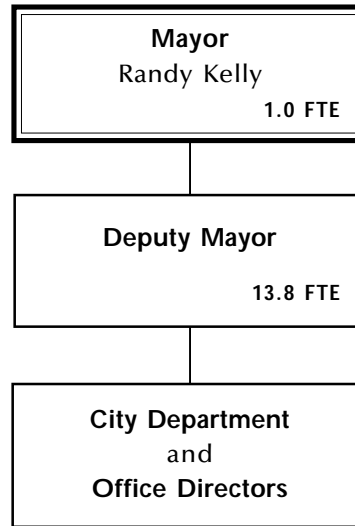
Mayor's Office

Mission Statement

To direct the operation of the City and promote the interests of its citizens and its businesses.

Mayor's Office

(Total 14.8 FTEs)



Strategic Plan Accomplishments and 2004 Priorities

Major Accomplishments

- **State cuts to LGA** When faced with a state budget crisis and expected loss of millions of dollars in Local Government Aid, the City acted swiftly and strategically, making \$13 million in cuts to the 2003 budget and \$20 million in cuts that will carry over to the 2004 budget. By acting quickly and demanding more efficiency in how we do business, we significantly limited employee layoffs and cuts in citizen services.
- **Public Safety** Though \$13 million was cut from the 2003 budget, not one patrol officer or fire fighter was laid off. Additional officers were assigned to the Minnesota Gang Strike Force. A commander also was assigned to work in the Fire Department on Homeland Defense issues.
- **Housing 5000** We exceeded our first-year goal of 1,250 new housing units in our initiative to build 5,000 units of housing in four years. In July, the Housing and Redevelopment Authority approved the purchase of up to 90 acres of land with \$25 million in bonds to clean up and re-sell to private developers, which could generate up to 2,500 new housing units.
- **Bio-tech initiative** One key economic development project is to create a bio-sciences corridor near the University of Minnesota Saint Paul campus. In partnership with the University and private donors, a major step was taken with the City purchase of a building to locate a bio-tech incubator and other bio-tech businesses. It's the first step in bringing thousands of new, high-paying jobs to our area.
- **Targeted economic development assistance** We launched several strategic initiatives to help small and large businesses move to or expand in our City that will further increase our tax base. These initiatives included a city-backed loan program through community banks to assist small minority- and women-owned businesses, and incentives to businesses located outside Saint Paul to move and invest here with high-paying jobs.

2004 Priorities

Despite significant budget challenges, we are on a path to keep Saint Paul affordable, safe and growing by short- and long-term strategic investment in a few targeted areas.

- **Affordability:** For the 11th year in a row, Saint Paul residents will not see an increase in the overall amount collected by City government entities property taxes. We understand that in order to compete for business development and remain desirable for new homeowners and renters we must do all we can to keep out City budget affordable for our taxpayers.
- **Public Safety:** We will continue the commitment to City government's number one priority: public safety. The Police Department will move to a new state-of-the-art police headquarters in October to consolidate communications services and improve operations efficiency. The City is working with Ramsey County and the state to obtain new 800Mgz technology for emergency communication, which could be operational in 2004.
- **Housing 5000:** We will continue to work with our partners to meet our goal to build 5,000 new housing units by the end of 2005. We are capitalizing on a nationwide trend, which is a return to urban core living by two key demographic segments: empty nesters, with significant wealth and disposable income; and young adults, who because of low mortgage rates can own a home for the same cost as renting.
- **Preservation and growth of our tax base:** We must continue to look for and invest in ways to preserve and increase our tax base if we are to continue to provide City services without large increases in property taxes. Key initiatives in the biosciences area and health care will receive priority.
- **Other priorities include:** Promote and develop our arts, culture and entertainment community; continued focus on riverfront development as a key community asset; join with our community partners in marketing the City to the region, state and nation; and cooperate with our partners in education and recruit volunteers to improve reading levels.

Mayor's Office

DEPARTMENT/OFFICE DIRECTOR: DENNIS FLAHERTY

	2001 2ND PRIOR EXP & ENC *	2002 LAST YEAR EXP & ENC *	2003 ADOPTED BUDGET	2004 MAYOR'S PROPOSED	2004 COUNCIL ADOPTED	ADOPTED MAYOR'S PROPOSED	CHANGE FROM 2003 ADOPTED
<u>SPENDING APPROPRIATIONS</u>							
001 GENERAL FUND	1,333,531	1,327,177	1,382,816	1,294,963	1,294,963		87,853-
050 SPECIAL PROJECTS:GEN GOV ACCTS FU	12,896	37,995	20,000	20,000	369,855	349,855	349,855
TOTAL SPENDING BY UNIT	1,346,427	1,365,172	1,402,816	1,314,963	1,664,818	349,855	262,002
<u>SPENDING BY MAJOR OBJECT</u>							
SALARIES	837,805	892,978	931,945	866,246	950,697	84,451	18,752
EMPLOYER FRINGE BENEFITS	246,216	281,201	284,270	278,242	305,761	27,519	21,491
SERVICES	242,271	150,844	163,415	146,789	161,789	15,000	1,626-
MATERIALS AND SUPPLIES	14,540	27,961	16,233	16,233	21,233	5,000	5,000
MISC TRANSFER CONTINGENCY ETC	5,595	12,188	6,953	7,453	225,338	217,885	218,385
DEBT							
STREET SEWER BRIDGE ETC IMPROVEMENT							
EQUIPMENT LAND AND BUILDINGS							
TOTAL SPENDING BY OBJECT	1,346,427	1,365,172	1,402,816	1,314,963	1,664,818	349,855	262,002
		1.4 %	2.8 %	6.3-%	26.6 %	26.6 %	18.7 %
<u>FINANCING BY MAJOR OBJECT</u>							
GENERAL FUND	1,333,531	1,327,177	1,382,816	1,294,963	1,294,963		87,853-
SPECIAL FUNDS							
TAXES							
LICENSES AND PERMITS							
INTERGOVERNMENTAL REVENUE							
FEES, SALES AND SERVICES							
ENTERPRISE AND UTILITY REVENUE							
MISCELLANEOUS REVENUE	12,890	74,500	20,000	20,000	237,885	217,885	217,885
TRANSFERS							
FUND BALANCES					131,970	131,970	131,970
TOTAL FINANCING BY OBJECT	1,346,421	1,401,677	1,402,816	1,314,963	1,664,818	349,855	262,002
		4.1 %	.1 %	6.3-%	26.6 %	26.6 %	18.7 %

Budget Explanation

Major Changes in Spending and Financing

Creating the 2004 Budget Base

The 2003 adopted budget was adjusted to set the budget base for the year 2004. The permanent budget reductions made in early 2003 to cope with cutbacks in the State's local government aid payments for 2003 and beyond were annualized for 2004 and reflected in the base budget. In particular, the base budget for each department reflects the "round 1" mid-year budget adjustments as adopted by the City Council, and the "round 2" adjustments as proposed by the Mayor and awaiting council action at the time the 2004 budget planning process began. The budget was increased for the anticipated growth in 2004 for salaries and fringes for staff related to the bargaining process. Employee benefit cost increases were projected and then considered in the process that distributes those total costs to the City departments' budgets through the budget system using the "fringe rate" process.

Finally a spending cap was imposed on the department's adjusted general fund budget to help meet the announced cutbacks in the State's 2004 local government aid funding.

Mayor's Recommendations

The Mayor recommends a total Mayor's Office budget of \$1,294,963 which is a 6.4% reduction from the 2003 adopted budget. The proposed budget includes new revenue from the receipt of an education grant.

The Mayor's Office budget has been submitted reflecting the 2003 Round 1 and 2 reduction plans. In addition, this budget reflects the department's share of city-wide budget savings related to the continuation of the hiring freeze into 2004, and a slight cutback in support costs.

Council Action

The City Council adopted the Mayor's Office budget and recommendations as proposed by the Mayor, and approved the following changes recommended by the Mayor:

- recognizing grants received and established budgets for 2004 spending associated with the Education Initiative (ServeMinnesota Grant, Federal AmeriCorp/Vista Grant, and St. Paul Companies.)

Tax Dollars And The Services They Buy*

Look what less than a dollar a day can buy from city government!

Any citizen who pays property taxes wonders where the money goes. The pie chart shows how your tax dollars are at work in the community. Consider the property taxes on an average residential property (\$115,000) in Saint Paul. In 2004, the owner will pay about \$1,233 in property taxes. Of that amount \$324, or just 26%, will go to the City of Saint Paul. That's less than a dollar a day.

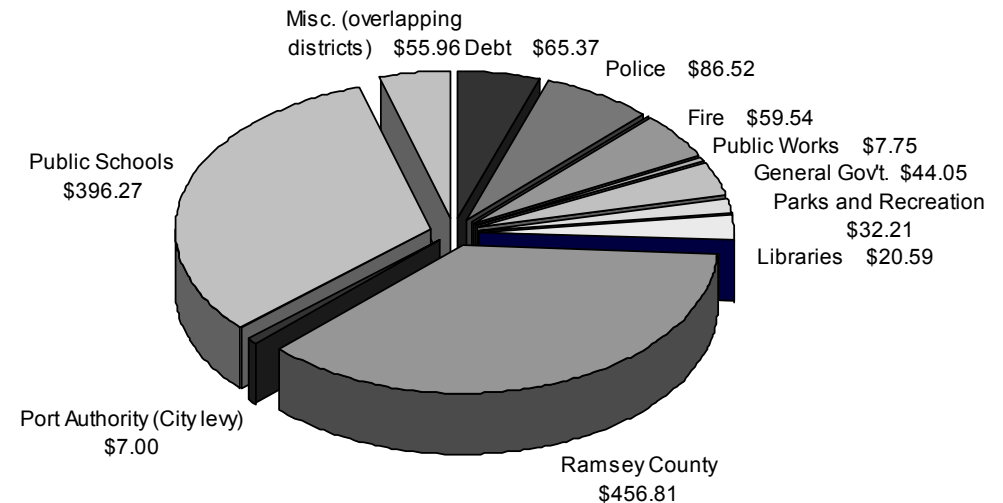
Police and Fire services receive two of the larger portions of your city property tax dollar. For \$87 annually, property taxpayers of an average-priced home are provided with 24-hour law enforcement protection. For \$60 a year, they receive around-the-clock fire and medical response. In addition to their immediate response services, both departments offer invaluable education and prevention programs.

\$65 covers capital debt, the City's annual cost of repaying bonds that finance street construction, new libraries, recreation centers, children's play equipment and other capital improvements made over the last ten years.

\$32 goes to Parks and Recreation to provide a wide array of neighborhood recreational activities and to maintain and improve 42 recreation centers and 4,000+ acres of city park land.

For \$21, the Saint Paul Public Libraries offers taxpayers access to millions of books through the Metropolitan Library Services Association (MLSA) lending system and other library resources at their neighborhood libraries.

Estimated 2004 Saint Paul Property Taxes
Truth in Taxation Rates Applied to a Typical Home Valued at \$115,000



Certified Tax Levies	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Net City Tax Levy	65,283,382	65,008,382	64,358,298	62,736,749	62,393,263	62,393,263	62,393,263	62,393,263	62,393,263	62,393,263	52,690,256
Library Agency**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9,855,007
Port Authority Levy	1,453,165	1,453,165	1,453,165	1,449,978	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	1,382,000
Net Tax Levy	66,736,547	66,461,547	65,811,463	64,186,727	63,843,263	63,843,263	63,843,263	63,843,263	63,843,263	63,843,263	63,927,263

* At the time this page was prepared for printing, data on payable 2004 was not yet available, so adopted figures for 2003 were used.

** Libraries became a separate agency (The Library Agency), which was adopted in 2003, and is no longer a part of the City of Saint Paul budget and/or tax levy.